

2004: Year in Review

Type of Project	Number of Applications	Proposed Capital Costs	Approved As Is	Less	Withdrawn Denied	Capital Cost Savings
Projects						
Hospitals	22	\$399,282,170	20	2	0	\$ 216,465
Nursing Homes	8	26,480,985	7	0	1	9,845,000
Freestanding	5	10,263,200	5	0	0	0
Residential Care	10	16,889,166	10	0	0	0
Cost Overruns	3	1,311,380	3	0	0	0
SUB-TOTAL	48	\$454,226,901	45	2	1	\$10,061,465
Non-App. Requests	72	35,947,879	72	0	0	n/a
GRAND TOTAL	120	\$490,174,780	117	2	1	\$10,061,465

In Calendar Year 2004, the Certificate of Need Program experienced a substantial increase in total project costs reviewed. The total project costs shown above represent a 129% increase over the cost of projects reviewed in 2003. This increase was primarily due to an increasing number of new hospital proposals.

Long term care activity in 2004 was substantially less that volume of proposals considered in 2003. Furthermore, the number of beds involved fell from 2,277 in 2003 to 1,144 in 2004. The following chart provides a breakdown of the LTC proposals processed in 2004:

Long Term Care Proposals Processed in 2004

	ICF/SNF		RCF		LTCH		TOTAL	
	Proposals	Beds	Proposals	Beds	Proposals	Beds	Proposals	Beds
<u>Full Applications</u>								
– New Facility	0	0	1	30	0	0	1	30
– Expansion	3	79	2	14	0	0	5	93
<u>Expedited Applications</u>								
– Bed Purchase	3	88	1	11	n/a	n/a	4	99
– Bed Replacement	1	45	4	165	n/a	n/a	5	210
– Renovate/Modernize	1	120	2	100	n/a	n/a	3	220
<u>Non-Applicability</u>								
– 10-Bed/10%	7	44	9	27	n/a	n/a	16	71
– < \$600,000	5	40	20	381	n/a	n/a	25	421
TOTAL	20	416	39	728	0	0	59	1,144

Although, LTC proposals involving 1,144 beds were reviewed in 2004, all of them did not involve additional beds.

The four *purchase* and five *replacement* applications for ICF/SNF and RCF facilities allowed 309 beds to be moved from one location to another. The three *renovation/modernization* applications allowed an additional 220 beds to be upgraded in place. Thus, the actual number of "additional beds" reviewed in 2004 was **615**.

Finally, all of the additional LTC beds reviewed will not be developed. One application for 60 beds was denied. In addition, two non-applicability requests for 38 beds were voluntarily relinquished and one request was to replace 12 beds. As a result, the actual number of additional LTC beds to be developed from actions taken in 2004 will be **505** (103 ICF/SNF and 402 RCF).